From:

Angela Nance

To:

jmarshall@coalsource.com

CC:

OGMCOAL

Date:

6/29/2010 10:29 AM

Subject:

Bond - Horse Canyon Mine

Attachments: Exhibit_D.doc; PERMITTEEAFFIDAVIT OF QUALIFICATION.doc; SURETYAFFIDAVIT

OF QUALIFICATION.doc

Hi Jay,

It looks like the bond for the Horse Canon Mine needs to be increased by \$113,000 (6.25%). You can do this by submitting any type of bond you would like - Cash, LOC, Surety Rider, etc. Or to make it even more simple you can just increase one of your current surety bonds by the required amount and provide a Surety Rider showing the increased amount.

In addition to the surety rider, please complete and return the following attachments:

- 1. Exhibit "D" Stipulation to Revise Reclamation Agreement (simply stating that the bond amount is changed from \$1,694,000 to \$1,807,000)
- 2. Affidavits of Qualification for the Surety Company and the Permittee

If you have any questions, please feel free to contact me.

Thank you,

Angela Nance **Business Analyst** angelanance@utah.gov

EXHIBIT "D"

Stipulation to Revise Reclamation Agreement (Federal)

Exhibit "D"
Stipulation to Revise
Reclamation Agreement
Federal

Mine Name:	
Permit Number:	
Effective Date:	
Bond Number:	

COAL STIPULATION TO REVISE RECLAMATION AGREEMENT --ooOOoo--

This STIPULATION TO REVISE RECLAMATION AGREEMENT entered into by and between the PERMITTEE and DIVISION incorporates the following revisions or changes to the RECLAMATION AGREEMENT: (Identify and Describe Revisions below)

In accordance with this **STIPULATION TO REVISE RECLAMATION AGREEMENT**, the following Exhibits have been replaced by the **PERMITTEE** and are approved by the **DIVISION**.

	Replace the Reclamation Agreement in its entirety.				
	Replace Exhibit "A"- bonded area.				
		Rider added to existing Exhibit "B"- bonding agree	ement		
	Replace Exhibit "C"- liability insurance				
	The bonding	amount is revised from \$ to \$	_		
The bonding type is changed from to					
	The surface d	listurbance is revised from acre to		_acres.	
	The expiration	n date is revised from to			
	The liability i	nsurance carrier is changed from	_ to	·	
	The amount of	of insurance coverage for bodily injury and property	damage i	s changed	
from	\$	to \$			

Exhibit "D"
Stipulation to Revise
Reclamation Agreement
Federal

IN WITNESS WHEREOF, day	
	PERMITTEE
	By:
	Title:
ACCEPTED BY THE STATE O	F UTAH this day of, 20
	Director, Division of Oil, Gas and Mining

NOTE:

An **Affidavit of Qualification** must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power or Attorney of a company, such Power of Attorney must be filed with this Agreement. If the **PERMITTEE** is a corporation, the Agreement shall be executed by its duly authorized officer.

AFFIDAVIT OF QUALIFICATION PERMITTEE

--ooOOoo--

I,	, being first	duly sworn under oath, deposes and says tha		
he/she is the (officer or age	ent)			
and that he/she is duly auth	orized to execute and de	liver the foregoing obligations; and that said		
PERMITTEE is authorized	to execute the same and	has complied in all respects with the laws of		
Utah in reference to commitments, undertakings and obligations herein.				
		(Signed) Name - Position		
Attest: Secretary of the Corporation	on			
STATE OF)) ss:)			
Subscribed and sworn to be	efore me this day of	, 20		
		Notary Public		
My Commission Expires:				
,2	0			

Bond Number

AFFIDAVIT OF QUALIFICATION SURETY COMPANY --00OO00--

I,, being	g first duly sworn under oath, deposes ar	nd says that
he/she is the (officer or agent)	of	;
and that he/she is duly authorized to execute a	and deliver the foregoing obligations; and	d that said
SURETY COMPANY is authorized to execut	te the same and has complied in all respe	ects with
the laws of Utah in reference to becoming sole	e surety upon bonds, undertakings and ol	bligations
herein.		
	(Signed) Surety Company Officer - Positio	– n
Attest:		
STATE OF) COUNTY OF) ss:		
Subscribed and sworn to before me this	lay of, 20	
	Notary Public	_
My Commission Expires:		
, 20		